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CARTAGENA AGREEMENT ANNUAL REPORT DISCLOSED

PA132153 Paris AFP in Spanish 2351 GMT 12 Jan 82

[Text] Bogota, 12 Jan (AFP) -- The board of the Cartagena Agreement declared today that "The Bolivian decision to abstain from actively participating in Andean Pact institutions and the conflict between Peru and Ecuador were the primary factors that impeded integration activities during 1981."

The annual report, presented in Bogota, also states that "the restoration of unity among the agreement's five member-states and the normalization of the commission's activities were the major achievements of the integration process."

The document highlights the actions of board members, which led to the reincorporation of Bolivia into the region's commerical activities and which helped to prevent serious inconveniences from affecting economic relations among the area's states.

"With these achievements, we showed the willingness of Andean Pact members to maintain their unity," the report states. The report adds that despite all of the difficulties, there were sectors that experienced major improvements, such as agriculture, livestock, technology, construction and food production. The report stresses the initiation of formal meetings between Peru and Bolivia on launching the action plan contained in resolution No 141, which will permit improvements in the Bolivian infrastructure and communications.

It also underscores the evaluation of sectoral programs for industrial development and a proposal to modify the decision on multinational enterprises.

"The five countries' joint participation in the entire negotiation process, within the framework of the Latin American integration Association (LAIA), was the most important goal reached in terms of the Andean Pact's external relations, according to the assessment of the board of the Cartagena Agreement.

The report also indicates that the text of the cooperation agreement to be signed with the EEC is ready. The signing is scheduled for early February 1982, after policy declarations have been issued by the EEC Council of Ministers.

"In sum, there is the clear intention on the part of the group's member-states not to sign a new agreement. The states' have no intention of substantially or conceptually modifying the mechanisms of the Cartagena Agreement," the document states.

BRAZIL EIGHTH COUNTRY TO RATIFY LAIA TREATY

PY181531 Buenos Aires LATIN in Spanish 1754 GMT 15 Jan 82

[Text] Montevideo, 15 Jan (LATIN-REUTER) -- Today Brazil ratified the 1980 Montevideo treaty creating the Latin American Integration Association (LAIA) which replaces the Latin American Free Trade Association (LAFTA). Brazil is the eighth country to ratify the treaty.

The treaty ratification instruments were delivered by Brazilian Ambassador to Uruguay Raul Castro Silva de Vicenzi and by Brazilian representative to LAIA Maury Gurgel Valente to the Foreign Ministry today.

During a short conversation with reporters, Ambassador Silva de Vicenzi stressed the importance his country attaches to LAIA as an organization aiding regional integration and the future implementation of a Latin American common market.

The Brazilian ratification was made shortly after Peru ratified the treaty on 8 January. Of the countries that signed the treaty, Ecuador and Venezuela have not ratified it yet. Colombia, Paraguay, Argentina, Mexico, Chile, Uruguay, Peru and now Brazil have already signed it.

COSTA MENDEZ ON YACYRETA, OTHER TOPICS

PY151840 Buenos Aires TELAM in Spanish 1130 GMT 15 Jan 82

[Text] Buenos Aires, 15 Jan (TELAM) -- President Leopoldo Fortunato Galtieri has discussed with the ministers of foreign relations, economy and public works matters related to the binational Argentine-Paraguayan Yacyreta Dam.

The meeting with Nicanor Costa Mendez, Roberto Teodoro Alemann and Sergio Martini was held in the situation room of Government House late yesterday afternoon and lasted 1 and 1/2 hours.

After the meeting Costa Mendez said that decisions and measures needed for Yacyreta were discussed. He added that no date has yet been set for the start of the dam's civil project.

In relation to Yacyreta, the minister said that yesterday he had the pleasure of meeting an old friend, Senator Saldivar, a great friend of Argentina who came to convey President Alfredo Stroessner's greetings to President Galtieri and to greet Costa Mendez. He gave us his opinion about the future of Yacyreta.

Regarding other matters Costa Mendez said that he has offered Eduardo Roca the position of head of the Argentine mission to the United Nations and that the current UN Argentine Ambassador, Juan Carlos Beltramino, has been offered a post in Europe which he has accepted although he has not yet received approval from the country where he has been assigned. He also said that Eugenio Aramburu, son of the former provisional president who was assassinated by extremists, has accepted appointment to Argentina's position on the Racial Discrimination Commission. He added: "I believe that Aramburu's appointment will honor Argentina."

Regarding a report that the representatives to the Vatican in the Beagle border conflict are reportedly going to be replaced, he said: "All I can say is that they are now in Buenos Aires; and you know that as a result of the studies we are doing about the Vatican negotiations new decisions could emerge. What counts is not the people, about whom no decision has been made; the important thing is to assure that Argentina wants to affirm its cooperation with the Pope in order to reach an honorable, just and lasting solution to the southern conflict, that is, Argentina is going to actively participate in the mediation because we are now studying new suggestions which we are going to submit to the Pope soon.

In relation to the events in Guatemala, where the Argentine and Israeli Embassies were hit with explosives, Costa Mendez said: We have been informed and we are going to submit a protest, although the Guatemalan Government has absolutely nothing to do with it. We are going to request the diplomatic protection we need.

Regarding an alleged sale of Argentine arms to Nicaragua, he said: I have no information about it and I am quite surprised by the report, as it has not been confirmed. Of course I cannot say that I really know about it, but I can say that I do not believe it.

The foreign minister said: We are actively working in good coordination with the Trade Secretariat to study matters of foreign trade, the trade with the Soviet Union in particular.

A reporter informed him that there was a report from Asuncion that the Paraguayan Government is not going to allow cuts in the Yacyreta budget of $934 million. In this regard the foreign minister said: I am not familiar with that information, as it has not been officially reported to us.

ADMIRAL MASSERA INTERVIEWED ON NEW PARTY

PY181452 Buenos Aires TELAM in Spanish 1410 GMT 15 Jan 82

[Text] Mar del Plata, 15 Jan (TELAM) -- In an interview granted to the newspaper EL ATLANTICO of this city, Adm Emilio Massera said: I have come here to work on organizing a party convention aimed at broadening our party's platform. During the interview, held at the party's headquarters located at the corner of Olavarria and Gascon Streets, Massera was accompanied by Carlos Canon, the legal representative of the Party for Social Democracy which Massera leads.

He said the contacts he is making in Mar del Plata are limited to party sectors but, he added: Naturally we will be glad to hold talks with people outside the party if the opportunity to do so arises.

Massera said the convention will be held in March or April. He remarked: Another of my present tasks is to write a book which --through questions and answers -- will define and broaden my concepts on social democracy. He also stressed that the creation of the Party for Social Democracy has been welcomed widely and that it already exists in all provinces. He pointed to the 17,000 membership mark attained in a few months of work in Santa Fe Province.

Massera refused to make any statement regarding the present national situation; he merely repeated the remarks he had already made previously. For example, he said: In my yearend message I stressed that 1981 had been a painful year. We will let a few months pass in order to see new results before we tell the unvarnished truth about the mistakes. But we have decided that this is the moment for party action and that is why we are setting up our organization. The achievement we mentioned above shows the effectiveness of the work undertaken by Eduardo Fracassi, the party's national coordinator, and by all of his assistants. This is the way we are working in Argentina, to the extent of our capabilities. We are devoting ourselves to studying and attaining internal consolidation.

INTRANSIGENTS LASH OUT AT GOVERNMENT WAGE POLICY

PY182122 Buenos Aires HERALD in English 18 Jan 82 p 7

[Text] (NA) -- The Intransigent Party, headed by former Buenos Aires Province Governor Oscar Alende, yesterday said recent statements by government officials concerning a delay in granting wage increase to state workers were "a real mockery."

In a statement harshly critical of the government's economic policy, the party refuted last week's statement by Treasury Secretary Manuel Solanet and by Public Information Secretary Rodolfo Baltierrez.

"If freezing wages, retirement payments and pensions, while the cost of living keeps rising by eight percent monthly, is madness, then Solanet's and Baltierrez' statements saying that not adjusting those payments is not equivalent to freezing them are a real mockery." The statement said.

The Intransigents added that "The carelessness with which the government responsible for the crisis pretends to unload the burden of its effects on the most needy people is compounded by sarcasm in a clarification unable to withstand the slightest analysis, be it on technical terms or in terms of human sensitivity."

The government's economic policy, the party said, is "antisocial and retrograde" because "it does not care for the consequences it will bring to millions of Argentines, and appeals stubbornly to the crudest monetarist orthodoxy, the use of which has driven the country's economy to the brink of destruction.

"No one is saved by being starved, nor are the country's problems solved by resorting to the tricks of fancy dialectics, ending in the use of newly-coined terms to hide behind words the actual aim of depriving away the nations's riches," the Intransigent Party statement concluded.

EX-PRESIDENT PADILLA CRITICIZES GOVERNMENT

PY151655 La Paz PRESENCIA in Spanish 8 Jan 82 p 9

[Text] Santa Cruz, 7 Jan (PRESENCIA) -- Former President David Padilla today voiced his support for the popular claim that those guilty of exploiting semiprecious stones in La Gaiba be punished. Padilla deplored both the government's not keeping its word about the application of the law and the "breaking of military discipline and hierarchy."

General Padilla, who met reporters at his home, said that in his capacity as former president and armed forces commander he had the duty to voice his thoughts on the above matters, including the economic aspect.

He termed the La Gaiba affair "painful and shameful," and he regarded it as "an attack on the economy of the country."

He said that this "attack, launched behind the back of the Bolivian people, still goes unpunished." He criticized President Torrelio's government for not having proceeded with the investigation that the nation's comptroller attempted to carry out, especially when the comptroller asked for the originals of the documents so he could submit them to the Supreme Court.

This means, he remarked, that the law is not being respected, "because had that been the care, the present government would have been strengthened by the observance of the law."

Padilla said that the people know and identify those attacks, and what they actually want is to punish those crimes. He added that the contract signed by the former government junta commanders, headed by Gen Luis Garcia Meza, gave rise to other contracts involving offenses such as the involvement of army officers, stationed in the area of semiprecious stones exploitation, not only in this affair, but also in the violation of national airspace.

He went on to say that "It is known, however, that one of the men responsible for this action, namely Col Rolando Canido Viricochea, has been named military attache in Brazil, raising concern among the Bolivian people and the armed forces members who are familiar with the case."

He also said that there are other lower-ranking chiefs and officers who should be punished, or at least prosecuted. He regretted that this has not been done, "because it is an ill-fated precedent for the future of armed forces institutional life since there are regulations and there is the military code which have provisions for punishing crimes and offenses." He said that given that the armed forces have been in power for several years, there is a general wish among the people to learn about the most recent order concerning military assignments and promotions.

He said that neither the hierarchy, rank nor seniority of several officers were respected in this order of assignments. He added that besides breaking military regulations, "It was prepared under the influence of factors not in keeping with the rules. A specific case is that of a colonel who was rapidly promoted to the rank of general. This was Guido Vildoso Calderon, the army chief of staff."

General Padilla stressed that this promotion overlooked three military classes "batches" thus worsening the breaking of the military hierarchy. He said he was surprised because those officers who were overlooked did not take the steps specified by military regulations.

Former President Padilla also voiced his concern over the difficult situation the country is going through. He blamed it on the poor management of the public enterprises and on employees' inmorality. He explained that although this has been happening for years, it has worsened since General Garcia Meza took power. Padilla remarked that Garcia Meza was being "demagogic" when he said that the country could live on "potato starch and jerky." Padilla said that such a statement seems to be patriotic, but it has no foundations."

General Padilla expressed his hopes that the efforts by the present government would help overcome the economic crisis. He added: "It is the people who are paying a high price, although they had no participation in what is now happening to the country."

He reiterated his support for democracy saying that he supports General Torrelio's government and that he hopes that it will fulfill its promise to restore democracy within the time frame it set up. He criticized the despotic attitude of those who planned to "stay in power for 20 years," and he said that the civil sector, especially the leadership, should gain as much experience as possible in order to have the country return to its true course and attain a harmonious institutional development.

Reprimand Answered

PY191140 La Paz Cadena Panamericana in Spanish 0000 GMT 19 Jan 82

[Text] Gen Ret David Padilla Arancibia, former president and former commander of the armed forces, has sent a letter to Gen Celso Torrelio, commander in chief of the armed forces, and to the three commanders of the armed forces regarding the so-called letter of reprimand the military high command sent.

The retired general thinks it is necessary to explain that his declarations were made precisely to safeguard the integrity, respect, discipline and honor of the military, at a time when they are being tested by the public.

He said: My declaration aims to preserve national security and tries to call on the military commands to comply with current laws and regulations. General Padilla says that his declaration coincides with the remarks made by the commander of the air force, when he was sworn in before General Torrelio. In that speech the air force commander indicated his desire to return discipline to the institution. He also expressed the common desire to regain the people's trust in the honesty of the armed forces and in the sacred image of the country.

Padilla added: I do not wish to create verbal polemics or confrontations, which only benefit enemies or dangerously contribute to dissolving the unity of the armed forces. I only want military discipline to be improved and strengthened. In conclusion, the former president said that his declaration had no other purpose than that of sounding the voice of alarm in view of the dangers which may threaten the country if immediate measures to correct errors and solve current problems are not adopted. He added: Bolivia, all its civilian and military sectors, needs to hear the truth.

SOVIET DELEGATION MEETS WITH COMIBOL OFFICIALS

PY161334 La Paz Radio Illimani Network in Spanish 1100 GMT 16 Jan 82

[Text] The Soviet delegation headed by Nonferrous Metallurgy Deputy Minister Ivan Glushkov yesterday initiated contacts with COMIBOL [Mining Corporation of Bolivia] officials regarding the troubles with the La Palca tin volatilization plant.

The COMIBOL manager reported on the operation of that plant, and added that through dialogue and negotiations a solution should be found for the serious troubles that forced the shutdown of the tin recovery plant.

Deputy Minister Glushkov said that his coming to Bolivia should be understood as a sign of good faith to find out the trouble with that plant.

FURTHER COMMENTS ON BARRETO'S TRIP TO CUBA

Government Reportedly Aware

PY150225 Rio de Janeiro JORNAL DO BRASIL in Portuguese 13 Jan 82 p 15

[Text] The U.S. State Department and Brazil's Planalto Palace were fully aware of Brazilian Confederation of Commercial Associations President Ruy Barreto's trip to Cuba. Barreto met his entourage in Mexico City on Saturday; they left for Havana on Monday noon, furnished with simple tourist cards.

The idea of making commercial contacts with Cuba started to be worked out in mid-1981, when Barreto participated in a lunch at the U.S.-Brazilian Chamber of Commerce in New York. For U.S. interlocutors, Barreto sustained the thesis that the U.S. policy toward the Cuban regime was not a clever one: it did not allow room to maneuver. Based on this reasoning, Barreto then described a plan aimed at broadening Cuba's room to maneuver. This was the plan: The Cuban Government would cut its sugar production by 3 million tons (a little less than half its total output; it would use the sugar cane needed for producing that volume of sugar for manufacturing alcohol. Brazil would then furnish the technology and the equipment for the assembly of the distillery plant for alcohol production. With this formula, sugar prices on the international market could rise as a result of the 3 million-ton Cuban cut. This would benefit the Cuban economy and all the other sugarcane producers, such as Brazil. Besides, Cuba's room for political maneuvering would be broadened by the reduction in its oil imports from the Soviet Union, since alsohol would be a substitute for some oil by-products.

In conclusion, Cuba would gain advantages in three fields: It would reduce its dependence on exporting sugar to the Soviet Union; it would receive a higher payment for a smaller volume of exported sugar; and it would even buy less Soviet oil.

When Barreto finished this description, one of the businessmen said: "My brother George should know about this." The U.S. businessman was referring to his brother George Bush, U.S. vice president and former CIA head.

From then on, Barreto was given reliable indications that the U.S. State Department would not raise any obstacle to his idea. Based on this valuable information, the confederation's president went to Brasilia where, at Planalto Palace -- he is a friend of Vice President Aureliano Chavez and he is on very good terms with President Figueiredo -- he was given the go ahead for his idea, provided it remained clear that it was his personal initiative. The Brazilian Government offered no official endorsement.

Ruy Barreto and his wife traveled to Miami before Christmas in order to start the trip. Last Saturday Barreto left for Mexico City where he met Amaury Temporal and Paulo Manuel Protasio, the vice presidents of the Rio de Janeiro Commercial Association (which Barreto also heads), as well as two employees of his group's trading company. On Monday noon they left Mexico, one of the few Latin American countries which maintains diplomatic relations with the Cuban regime, and traveled to Havana.

Businessmen Support Trip

PY151828 Paris AFP in Spanish 1642 GMT 15 Jan 82

[Text] Brasilia, 15 Jan (AFP) -- The trip made to Cuba by Ruy Barreto, president of the Brazilian Confederation of Commercial Associations and the 4-hour meeting he held with President Fidel Castro today became the center of comments in Brazilian economic and political circles.

Ruy Barreto said that the Cuban Government is very much interested in buying four ships of medium tonnage, oil refinery equipment, spare parts for trucks and buses and particularly the creation of a joint venture with Brazil for civil engineering construction projects in the Middle East and in Africa.

Despite a communique released by the Brazilian presidency reaffirming that diplomatic and commercial relations with Cuba have been broken since 1964, several industrialists and businessmen enthusiastically approve of Barreto's trip.

The Brazilian Government, which has not forgiven the Cuban communist leaders for their constant attacks on the military regime, excludes any possibility of rapprochement in the short- or medium-term with Havana, indicating that the Cuban commerical markets lack any interest anyway. In fact, the Brazilian officials pointed out that the two countries have the same export products -- sugar and tobacco -- and that Cuba gets supplies of industrial products from its communist allies at political prices.

Brazilian businessmen, however, believe that ideology and trade should not mix and that if trade possibilities exist they should be exploited.

These industrialists and businessmen believe that if Cuba wants to make these purchases, it can make them through other countries like Mexico and Panama, traditional Brazilian partners in this type of third country operations.

'No Harm' in Trip

PY180001 Rio de Janeiro LATIN AMERICA DAILY POST in English 16 Jan 82 p 4

[Editorial: "Barreto in Cuba"]

[Text] An important Brazilian business personality, Ruy Barreto, who is president of the nationwide Confederation of Brazilian Commercial Associations, is currently in Cuba on a private investigatory mission to see if Brazil might be able to do business with Castro.

Officially, the Brazilian Government doesn't want to have anything to do with this initiative. A note from the Foreign Ministry pointed out that exports to Cuba are still prohibited. The blockade comes from the 1965 imposition of sanctions by the Organization of American States, which Brazil supports.

Yet unofficially, we wonder if there shouldn't be sympathy for this courageous attempt by a leader of the business community to open yet another export market. Brazil's official commerical policy is to promote yet more growth in exports.

Barreto's mission is purely exploratory and the government's reaction has been properly cautious. That caution did not go so far as to condemn Barreto's stopover on the Caribbean island, and that is wise.

It is perfectly possible to disassociate politics and commerce, as the U.S. has shown in its dealings with the communist bloc over many years. There is no harm done in keeping the lines of contact open. Brazil needs to expand its export horizons, and Cuba certainly is an untapped market, albeit a small one. It also would be a one-way market since Havana doesn't make or produce anything that Brazil doesn't already have -- mainly tobacco and sugar.

We can see why the government must put on a show of reserve regarding the Barreto trip. But we also can see positive points that would make reactivation of business with Cuba perfectly justifiable, even desirable.

There are, indeed, times when political goals and commercial goals collide, and commerce must be shut down between nations. But such moments are finite. It is perhaps time to look at the reasons for continuing a trade embargo with Cuba from a fresh perspective. Brazil's needs are different, times have changed. Brazil does business with other communist countries independent of their ideological positions on many issues. Barreto's trip is not going to result in immediate sales. It will result in a new look at the commercial ties, an examination of the potential. That is an opportunity that would not have happened if Barreto had not had the vision to go to Cuba. It is a valid attempt to help Brazil expand its overseas sales.

Government Evaluating Proposal

PY182058 Rio de Janeiro JORNAL DO BRASIL in Portuguese 16 Jan 82 p 15

[Excerpt] Sao Paulo -- Foreign Minister Saraiva Guerreiro has said that the government "noted" and is evaluating confidentially the "preferential treatment" offer President Fidel Castro made to the Brazilian businessmen delegation headed by Ruy Barreto, president of the Brazilian Confederation of Commercial Associations. The delegation left Cuba yesterday.

Foreign Minister Guerreiro said: "We try to be informed about everything and obviously we noted that position of the Cuban Government, but we are not making evaluations in public." Asked if the Cuban president's proposal was being confidentially evaluated, Guerreiro replied: "We are under obligation to note and evaluate everything. The fact that we do not have relations with Cuba does not mean that we ignore its existence."

Joint Ventures Established

PY181826 Rio de Janeiro O GLOBO in Portuguese 17 Jan 82 p 36

[Text] The "Barreto Trading" has already established its first joint-venture [given in English] with two Cuban enterprises for exporting engineering services to Third World countries. The joint venture will locate its headquarters in Amsterdam, in the Netherlands. Two other enterprises, Metales Cubanos and Ecimaq [expansion unknown], will be established next month and they will operate in Africa. Negotiations were started about 2 months ago by Barreto's trading employees and they were concluded last week by its president, Ruy Barreto, in Cuba. Ruy Barreto started contacts with Cubans through the services of some young economists (some of them were even Brazilian exiles years ago). They made a complete survey of the Cuban economic situation and its market's prospects for Brazilian exports. They then started meeting Cuban officials with a view toward the visit to Havana and the meeting with Fidel Castro.

ITAIPU PRESIDENT ASSURES PROJECT ON TIME

PY190221 Buenos Aires TELAM in Spanish 1300 GMT 6 Jan 82

[Text] Brazilia, 6 Jan (TELAM) -- The Itaipu Dam which Brazil is constructing together with Paraguay will be functioning in 1983, just as has been programmed, the president of the Itaipu Binational Enterprise, Gen Costa Cavalcanti, affirmed today. Cavalcanti was at Government House in Brasilia, where he had conferred with the head of civil household of the presidency, Joao Leitao de Abreu.

At the end of that meeting, Costa Cavalcanti explained that he had visited Leitao de Abreu in order to inform him about the status of the work at Itaipu, which is not subject to any delays since it has received the money necessary for this year.

Costa Cavalcanti said that the diversion of the Paraguay River in order to fill the dam's reservoir will be carried out between September and November 1982, in accordance with the timetable set forth in the original plans.

PAPER DETAILS NATIONAL WEAPONS INDUSTRY

PY141330 Rio de Janeiro LATIN AMERICA DAILY POST in English 13 Jan 82 p 7

[Text] Sao Paulo (DAILY POST) -- Armament exports by the Brazilian industry brought in 1981 between $1.240 billion and $1.450 billion, with sales abroad reaching the Middle East, Southeast Asia, Africa, and Latin American countries. Within two years the country will have a new tank, the MX-30, produced by Bernardini of Sao Paulo, who went from manufacturing the traditional safes to producing armament.

To have an idea of the aggressiveness of the national industry of armament, within the last three months, contracts of $700 million were closed, with sales of rockets, armored vehicles, torpedoes and other ammunition.

Besides the presently successful products, the national industry of armored vehicles has another series of products and improvements are being made on the ones under development. "Engesa," [Specialized Engineers, Inc] for instance does not hide the fact that they have the "sucuri" prototype, a light secret weapon for the future. No dates have been announced yet to start production in series.

In addition, the company will allow "Engex" [expansion unknown] to produce a line of 105 mm cannons. Presently, their subsidiary handles 90 mm cannons produced in Bahia.

Besides, they have the torpedoes exported to England and other products such as military transport trucks with special traction. "Engesa" and other manufacturers of military equipment are under surveillance of national security, and they can not make public their exports, which are always announced by certain military sources.

Today over fifty national industries are directly involved in the production of a variety of armament in the country. They use technology provided by research centers from the army, and the air force; mainly from the "Aerospace Technical Center" in Sao Jose dos Campos (CTA). CTA develops now a Brazilian missile "piranha", that will be driven by automatic controls. It was CTA who developed the land-sea-air rocket to be used in this country, produced and exported by Avibras of Sao Jose dos Campos. There were also developed other products such as grenades. A technological development reached by "Sendas" special rockets is being used.

Still functioning in the Vale do Paraiba is the "Val-Paraiba", traditional manufacturer of rifles and other armament, which are also successful in sales abroad.

Among the manufacturers of components is "D.F. Vasconcelos", which produces special optical equipment for tanks and other vehicles. There is also "Envemo" [Motor Vehicles Engineering Co. -- Engenharia Veiculos Motores Ltda] who assembles special vehicles for military transport and are commercialized in conjunction with "Engesa".

The autoparts industry also allocates a line of equipment for armored vehicles and there is a feeling that other sectors in the industry may contribute.

APPROXIMATELY 50 TOURISTS DIE IN BRIDGE COLLAPSE

PY172116 Asuncion Primero de Marzo in Spanish 2045 GMT 17 Jan 82

[Text] We will now expand a report we released earlier this morning. A news dispatch, datelined Rio de Janeiro, states that approximately 50 persons, mostly tourists, died today, Sunday, as a result of the collapse of a bridge overlooking the falls formed where the Iguazu River joins the Parana River.

The Brazilain Army 5th Border Division has reported that only four bodies have been recovered thus far and that steps are being taken to rescue approximately 1,500 persons who are isolated on one side of the bridge. The accident occurred at 1000 and it has been reported that most of the people who were on the bridge when it collapsed are Japanese tourists who came from Brasilia on a tour to Foz do Iguazu.

ARGENTINE PROVOCATIONS IN SOUTH REPORTED

PY190119 Rio de Janeiro JORNAL DO BRASIL in Portuguese 17 Jan 82 p 17

[By correspondent Rosental Calmon Alves]

[Excerpt] Santiago, Chile -- According to information provided to JORNAL DO BRASIL by high-ranking sources in the Chilean Government, their country's government last year delivered through diplomatic channels numerous notes of protest, which were kept secret, regarding alleged "Argentine military provocations" in the continent's southern region, near the area of the Beagle Channel.

According to those denunciations, the Argentine "provocations" were made by military planes buzzing Chilean military bases or even civilian locales in areas that are not in dispute, such as the city of Puerto Williams, as well as by naval operations such as "crossing border lines without advanced notice" or "setting a ship on collision course with a ship of the Chilean Navy and veering off at the last moment."

Whether or not those serious denunciations by Chilean Government functionaries contacted in Santiago are true it is certain that a tense climate prevails in the continent's southern region near the disputed Beagle Channel area, a climate that almost caused a war of great proportions between the two countries in December 1978 when the day and the hour for an Argentine invasion of southern Chile had already been set.

A diplomat who follows closely the problem over the Beagle Channel told us: "Up until 4 September 1981, military authorities have counted exactly 31 Argentine aerial incursions in Chilean territory during the past year. Most of them were low overflights which made soldiers very nervous and created possibilities for incidents of unpredictable consequences."

Still according to the Chilean Government sources, the military who serve in the country's southern region have been given strict and express orders not to respond to the military actions allegedly carried out by their Argentine neighbors. From the political standpoint, a high-ranking Chilean funtionary said that Chile would stand to lose more with incidents in the disputed area because it is in a more comfortable position, juridically speaking, even in the Vatican mediation.

The same functionary explained that for that very reason Chile has not publicized the numerous small incidents which frequently occur at the continent's southern tip. However, much was publicly reported in both countries about the Argentine cruiser Belgrano which, a few months ago, intruded and remained for 8 hours in an area which Chileans consider as their "internal waters."

Another high-ranking Chilean functionary said: "Despite the express orders given to our military personnel not to respond to provocations, we are afraid of incidents which might complicate even more the current negotiations under the papal mediation."

POLICE KILL MIR EXTREMIST, DOCUMENTS FOUND

PY190226 Santiago Chile Diplomatic Information Service in Spanish 2232 GMT 18 Jan 82

[Text] Ernesto Enrique Zuniga Vergara, a dangerous extremist of the Movement of the Revolutionary Left, [MIR] was shot dead by the civilian police in Pundahuel, Zuniga Vergara had been charged with firing the shots that caused the death of Lt Col Roger Vergara and, among other terrorist activities, with the attack in which three investigations' officials were killed. Important extremist material was found in his hideout.

ACTIVISTS AT COMMUNIST ANNIVERSARY ARRESTED

PY181751 Santiago Chile Domestic Service in Spanish 1630 GMT 18 Jan 82

[Text] Carabineros arrested eight activists yesterday at O'Higgins Park. The activists, who were arrested for violating the state security law, have been put at the disposal of the Interior Ministry. It has been reported that yesterday a group gathered at the lake located in O'Higgins Park to commemorate the 70th anniversary of the outlawed Chilean Communist Party. The report notes that carabineros were at the scene and arrested 10 men and 3 women, but that 4 men and 1 woman were handed over to their relatives since they were all minors. The arrested activists, who were put at the disposal of the Interior Ministry, are being held at the sixth and first carabineros precinct buildings.

ECONOMIC, FINANCIAL 1981 PERFORMANCE REPORTED

PY131731 Santiago Chile LA TERCERA DE LA HORA in Spanish 31 Dec 81 p 13

[Excerpts] The country will close 1981 with a $3 billion deficit in the balance of trade (more than double the difference between last year's imports and exports); a "worrisome $4 billion deficit in current accounts of the balance of payments"; and losses of more than $1 billion which can be considered to have resulted from foreign debts repayments and lower export prices.

The economy's overall growth this year will be between 4 and 5 percent, but revenue growth will be no higher than 2 percent because of that $1 billion "loss."

Chile will close 1981 with 11.7 percent average unemployment (against 12.2 percent in 1980), a 7 percent real (above the consumer price index) increase in salaries; and a treasury surplus of nearly 5 billion pesos (which would compensate for the deficit of foreign currency). These are some of the main conclusions of the latest economic situation analysis, which is made by the Economy Department of the University of Chile every 6 months.

The analysis estimates that the "worrisome increase" in the deficit in current accounts of the balance of payments resulted from an 11-percent increase in imports, an 8-percent decrease in exports, and "much-higher interests paid on foreign loans."

The agricultural sector will grow by slightly more than 4 percent, although the traditional segment of this sector will have a further decline; the mining sector will grow by 2 percent (copper, coal and iron production will drop, while oil, gold and silver production will increase); and the industrial sector will grow by 2 to 3 percent.

Segments of the industrial sector will perform quite differently "because some of them will increase while others will substantially decrease." The construction sector may show a real growth of 13 percent, and commerce may expand by 5.3 percent. The largest salary increases in 1981 benefited public utilities and industrial workers. Civil servants' salaries went up by 6 percent, mining industry salaries "only 3.2 percent," and construction sector salaries 4.2 percent.

The analysis by the Economy Department of the University of Chile notes that for the first time since 1975 "Central Bank foreign currency reserves failed to grow despite the large inflow of foreign capital."

The analysis also points out that "financial resources should be harder to obtain than in previous years due to the growing deficit in current accounts of the balance of payments, the high level of total indebtedness, and the uncertainty in foreign banks following the intervention of several financial institutions recently." Also regarding the external sector, the analysis underlines that "The exports diversification process, which was doing well until 1978, has notoriously declined lately."

ELN KIDNAPS HONDURAN DIPLOMAT IN BOGOTA

PA181952 Havana International Service in Spanish 1800 GMT 18 Jan 82

[Text] Guerrillas of the Revolutionary Armed Forces of Colombia captured a security forces patrol in Boyaca Department. After taking their weapons and officials, the members of the patrol were released. Meanwhile, an urban commando of the Colombian Army of National Liberation [ELN] kidnapped (Ricardo Rondas), a diplomat of the Honduran Embassy in Bogota. In a communique sent to the press, the guerrilla organization explained that (Rondas) had been kidnapped to protest Honduran interference in the domestic affairs of Nicaragua and El Salvador.

PROMINENT CONSERVATIVE KIDNAPPED IN ANTIOQUIA

PA190301 Bogota Cadena Radial Super in Spanish 2300 GMT 18 Jan 82

[Text] Medellin -- Antonio Duque Alvarez, former government secretary of Antioquia and a pro-Gomez Hurtado conservative leader, was kidnapped today from his farm, according to reports received from military and police authorities of Antioquia Department. Duque Alvarez, who at one time was acting governor of Antioquia, reportedly left for his farm this morning, located at El Pescado, Puerto Nare municipality. However, his relatives say they do not know where he is and have not received any phone calls from his kidnappers. The kidnapping of Antonio Duque Alvarez brings the number of persons presently being held by kidnappers to seven. Thus the wave of violence and insecurity in Antioquia is continuing.

KIDNAPPED INDUSTRIALIST RELEASED IN BUCARAMANGA

PA190410 Bogota Cadena Radial Super in Spanish 2300 GMT 18 Jan 82

[(Alcides Antonio Jauregui) report from Bucaramanga]

[Text] (Alejandro Baldana), a timber industrialist who was kidnapped on 16 December by a cell of the so-called Revolutionary Armed Forces of Colombia [FARC], appeared safe and sound in Bucaramanga today. Originally, FARC had demanded a ransom of 15 million pesos. (Baldana) was kidnapped as he was traveling from Barrancabermeja to one of his estates in San Vicente de Chucuri. His vehicle was stopped by several guerrillas who claimed to be members of FARC. It was reported later that the ransom demand had been reduced to 12 million pesos. Neither the national police nor the 5th Brigade have provided complete information on the case, but newsmen from this station have learned that (Baldana) was released to his relatives. At present, he is being taken to the 5th Brigade for the debriefing that is customary in such cases.

HARSH SENTENCES LEVIED ON 44 LEFTIST GUERRILLAS

PA190413 Paris AFP in Spanish 0238 GMT 19 Jan 82

[Text] Bogota, 18 Jan (AFP) -- Army spokesmen have reported here that 44 Colombian guerrillas, who were tried by two court-martials, have been given stiff prison sentences. In Armenia, 260 km west of here, a military court levied sentences totalling 100 years imprisonment on 23 members of the extreme leftist 19 April Movement (M-19), 10 of them in absentia, for rebellion and violation of the security statute that is presently in force. Meanwhile, in Bucaramanga, 430 km to the northeast, a verbal court-martial imposed sentences ranging from 22 to 70 months in jail on 21 members of the pro-Castro National Liberation Army (ELN), 11 of whom were tried in absentia, for the same crimes. It is noted that at present a large-scale military trial of some 100 M-19 members is underway in Bogota. The guerrillas include M-19 leaders Carlos Toledo Plata and Rosemberg Pabon. The latter was the chief of the group that in early 1980 occupied the Embassy of the Dominican Republic in Bogota for 2 months, holding some 20 foreign diplomats hostage.

MOBS SET FIRES IN LIMA COMMERCIAL CENTER

PY160136 Buenos Aires LATIN in Spanish 1857 GMT 15 Jan 82

[Text] Lima, 15 Jan (LATIN-REUTER) -- One person was seriously injured and material damage of more than $100,000 sustained as a result of a fire caused by leftist activists in a commercial center in the suburbs of Lima, the police have reported.

A group of 50 persons last night threw home-made bombs into several establishments. One employee suffered burns and slight asphyxiation and, according to police, he fears for his life. The police reported that the arsonists were shouting antigovernment slogans and cheers for a communist-leaning group while they committed their crime.

This is the third act of vandalism in 1 month against commercial centers. The others occurred in San Isidro District and Miraflores District, causing heavy material losses.

CIVIL GUARD SHOT BY TERRORISTS IN CALLAO

PY141639 Buenos Aires TELAM in Spanish 1915 GMT 9 Jan 82

[Text] Lima, 9 Jan (TELAM) -- A civil guard has been seriously wounded near the port of Callao by a machinegun that was fired from an automobile. Guard Benjamin Torres Loayza was attacked as he approached the car to ask its four occupants for identification, since they appeared to be under the influence of drugs. As he approached he was met by a burst of machinegun fire and as he retreated he was hit in the back by two bullets, leaving him in a critical state. The attackers were able to escape.

Meanwhile, it was announced that some 350 persons who are implicated in acts of terrorism would be given quick trials during the judicial year. Among these is the councilman of Carabayllo District, Isidro Quiroz Roca, who is accused of paying about $20 to Cesar Javier Peralta to blow up the district church, a charge that is denied by that leftist councilman.

The accused persons are charged under the antiterrorist law which was enacted in March 1981 due to the high incident of subversive acts. There has been an upsurge of such acts recently, to the extent of causing the war minister, Gen Luis Cisneros Vizquerra to ask the judicial authorities to increase the severity of their sentences of these criminals. The majority of terrorist acts are attributed to the Maoist group Shining Path, which has so far not been completely neutralized.

In the course of this week, the court passed its first sentence on persons who were accused of terrorism, sentencing to 5 years imprisonment university students who put dynamite bombs in dummies which they had left hanging from light poles in Lima.

Press reports also revealed that the father of Navy Petty Officer Jose Carlos Morales Cabrera -- who has deserted, taking with him some Fal submachineguns and a machinepistol -- is the leader of the extremist group Red Nation [Patria Roja].

Honorio Morales is being sought by police in Sicuani, the southeastern department of Cusco where the police believe that he works, in order to facilitate the capture of the deserter and the recovery of the stolen arms.

CIVIL GUARD ARREST SHINING PATH MEMBERS

PY140149 Lima EL COMERCIO in Spanish 31 Dec 81 p A 1

[Text] Two women and a man, members of the self-styled PCP [Peruvian Communist Party] extreme leftist group "Shining Path," charged with having perpetrated a series of attacks in Cerro de Pasco and La Oraya, have been arrested by the civil guard. They have been identified as Rosa Quintana Limaco Huayaschachi, alias Tania; university student Delia Taquiri Yanqui, alias Natalia; and Fulgencio Jayo Diaz, alias Jayo. From them the civil guard confiscated two Star submachineguns stolen from the Yarumayu (Huanuco) civil guard post on 10 September.

The civil guard detained these people in Vinchos when they were inciting the townspeople to armed struggle and to loot the workers' cooperative shop [mercantil obrera]. Their plans failed, however, when local officials and numerous towns people categorically rejected them.

The investigations carried out later revealed that these persons were acting under the orders of Manuel Quisperoca Barrientos, alias Eusebio, who has been identified as the chief of the Shining Path group active in the Cerro de Pasco, La Oraya and Huanuco area.

Police sources reported yesterday Quisperoca Barrientos; Carlos Cerron Orellana, alias Tito; and Maria Margarite Benel Alama, alias Gloria -- all of whom were arrested a few days ago -- have been involved in several terrorist attacks. Among them are the dynamite attack against the Tarma agricultural bank, the attack against the Cilca military barracks in Huancayo, the attack against Huancayo city hall and the attack against the Huancayo mayor's house.. Moreover, the police report these persons may have also been involved in the assassination of Corporal Paz Cervante, chief of the Tupac civil guard post in Cerro de Pasco. The police are also looking for Oscar Alberto Ramirez Durand, alias Angel.

DYNAMITE ATTACKS PROMPT 'DRASTIC' MEASURES

PY132105 Paris AFP in Spanish 1519 GMT 9 Jan 82

[Text] Lima, 9 Jan (AFP) -- On Friday a group of terrorists bombed the house of the departmental chief of the plainclothes police of Huaraz, 400 km northeast of Lima. Meanwhile the government and the armed forces decided to coordinate more drastic actions in order to halt the wave of attacks striking the country.

Last night, a group of unknown persons detonated dynamite sticks at the door of the house of Maj Luis Gonzalez Huerta, endangering the life of his three young children. The children were not hurt since they were at the back of the house. The explosion, announced by anonymous letters, completely smashed the house's doors and windows as well as the furniture and household appliances.

The police reported that the attack was an act of revenge and that it was apparently directed from the local prison, where 12 presumed terrorists -- 10 men and 2 women -- are jailed on charges of having launched a similar attack in October 1981. That attack occurred at the house of another chief of the Huaraz plainclothes police, Lt Col Cesar Serrano, whose young daughter was seriously wounded.

Prime Minister Manuel Ulloa announced yesterday that the worsening of terrorism in the country was considered at the cabinet meeting. He said that it was decided that arms held by private parties would be seized and that other drastic measures, which cannot be published, would also be taken. However, Ulloa ruled out, for the time being, the direct intervention of the armed forces to counter the constant attacks being launched in several regions of the country, even though various sectors have stated that the police cannot fight terrorism because they do not have enough nor appropriate means.

Finally, in Ayacicho, the country's southern Andean center where a republican guard was killed and two others were wounded in an attack carried out to seize their guns, the chief of the antiterrorist operation, Col Santiago Branez, as well as other officers have been threatened with death if they do not leave the place.

POLICE GUARD WITHDRAWN FROM NICARAGUAN EMBASSY

PA181716 Madrid EFE in Spanish 1548 GMT 18 Jan 82

[Excerpt] Caracas, 18 Jan (EFE) -- The withdrawal of the police guard around the Nicaraguan diplomatic mission in Venezuela was termed here today an important step toward normalizing the tense relations between the two countries.

Last Friday, police patrol cars surrounded the Nicaraguan Embassy and persons entering the diplomatic mission were questioned by the police.

Speaking on behalf of the government, Foreign Minister Humberto Zambrano Velasco explained that the measure was taken because the Nicaraguan authorities had done the same with the Venezuelan diplomatic mission in Managua.

He termed as diplomatic reciprocity the withdrawal of the police forces from the Nicaraguan Embassy now that the Nicaraguan authorities had done the same in Managua.

Though the situation is returning to normal, forces opposed to the government indicated that Congress will question Zambrano Velasco to have him explain the Venezuelan Government's reaction to Nicaraguan Interior Minister Tomas Borge's charges that Venezuelan officials are involved in a conspiracy.

ZAMBRANO, CANADA'S MACGUIGAN HOLD TALKS

FL151427 Bridgetown CANA in English 1253 GMT 15 Jan 82

[Text] Caracas, 15 Jan (CANA-REUTER) -- Canadian Minister for Foreign Affairs Mark MacGuigan discussed here today the possibility of a new highlevel meeting to implement a plan of economic assistance to the Caribbean area.

Mr MacGuigan met Venezuelan Foreign Minister Alberto Zambrano at the beginning of a two-day official visit to this country.

That was the main topic of our talks, which also included the situation in Poland, Mr Zambrano said. The foreign ministers of Venezuela, Canada and Mexico and U.S. Secretary of State Alexander Haig met in Nassau, Bahamas, last year to analyse the Caribbean basin initiatives.

A spokeswoman for the Canadian delegation said the meeting could be held sometime in February.

She added that a venue had not yet been discussed. It was a meeting for information rather than persuasion and the coincidence that Canadian Prime Minister Pierre Trudeau is visiting Mexico stresses our big interest in Latin America.

In 1980 Venezuela and Mexico, Latin America's major oil exporters, agreed to supply non-producing Caribbean countries with crude.

Thirty per cent of the bill is repaid with special facilities which are enlarged if the capital is used in energy projects. The agreement was renewed last year.

Mr Zambrano said a new round of talks would be held later today at the Foreign Ministry and we expect to discuss bilateral issues, he said.

Mr MacGuigan, who is leaving Venezuela Saturday morning, will meet tomorrow with Energy and Mines Minister Humberto Calderon Berti.

Venezuela and Canada have been implementing for several years programs of technological cooperation and investigation on heavy crudes. Venezuela supplies Canada with about 179,000 barrels of oil per day. Trade in 1980 amounted to 2.2 billion dollars.

PRESIDENT COMMENTS ON DOMESTIC, REGIONAL MATTERS

PA182008 Madrid EFE in Spanish 1540 GMT 18 Jan 82

[Text] Mexico City, 18 Jan (EFE) -- President Jose Lopez Portillo has said here that there is a possibility that Mexico, Canada, the United States and Venezuela will attack the causes of Central America's problems. In an interview which the Mexican chief of state granted to a Swedish journalist, on the occasion of the Swedish royal family's visit to this country, Lopez Portillo said that it seems that economic cooperation is the correct approach because, he stressed, intervention would be the wrong approach to the problem.

The text of the interview published here today points out that the Mexican president deeply regrets the violence that is occurring in the Central American region. The Swedish journalist asked the president about Cuba's responsibility [for events] in the region. Lopez Portillo answered that he did not believe that it is necessary to establish guilt. What we have to do is to discover the causes of the problem which, he said, are very complex.

"I believe that the problem arises from the approach to important matters; there is a search for someone to blame instead of a search for (?the cause). We must search for whomever must resolve this situation rather than discover who is guilty. This is a process that corrupts the investigation," Lopez Portillo stressed.

At the same time, Lopez Portillo rejected the statement that he is "the best tightrope walker in the world" because he maintains good relations with the President of the United States, Ronald Reagan, and excellent relations with Nicaragua and Fidel Castro, head of the Cuban state. He said that he is simply "a man who knows, first, the value of the plurality of humankind, which is very complex, and second, the value of tolerance."

On another subject the Mexican president said that what he considers best for El Salvador, as well as for Nicaragua or Sweden, is self-determination. He stressed that this is a principle that must be respected. Speaking specifically of Mexico, Lopez Portillo said that the country's economy grows at an annual rate of 8 percent, a growth which allows for one million new jobs during the same period. This has increased the purchasing power of the poor people. Lopez Portillo admitted that the problem of inflation has affected Mexico significantly, adding that this phenomenon is associated with growth. In his opinion, however, this is different from what is occurring in the rest of the world. Lopez Portillo said that he personally prefers a 28 to 29-percent inflation rate with an 8 percent growth rate to an inflation rate of 10 percent with a 0 percent growth rate."

On the problem presented by the quality of heavy "maya" crude which seems to have caused a drop in demand and a $2 per barrel drop in its price, Lopez Portillo said that the proportion allocated for export will simply be adjusted (50 percent of light "istmo" crude) according to the demands of the international market. The maya crude will be refined in the country because we have the appropriate facilities and technology, he added.

The Swedish royal couple, Gustavo and Silvia, arrived today in this country on an official visit. The economic situation will be the most important subject discussed during the visit, especially the topics of oil and nuclear energy.

CANADA'S TRUDEAU CONCLUDES VISIT, RETURNS HOME

Receives Honors

FL151803 Mexico City NOTIMEX in Spanish 1755 GMT 15 Jan 82

[Text] Mexico City, 15 Jan (NOTIMEX) -- Canada's Prime Minister Pierre-Elliott Trudeau this morning received the keys to Mexico City from Mayor Carlos Hank Gonzalez.

During a ceremony held at the Town Hall at 1040 hours today, the Canadian chief of state was honored with the designation of guest of honor of the city and, in addition, received a gold medal with the image of Coyoltchauqui and the shield of the federal district. Accountant Arturo Diaz Alonso, president of the Federal District's advisory council, read the order by which the honors were bestowed on Pierre-Elliott Trudeau.

Departs for Home

FL181317 Mexico City NOTIMEX in Spanish 0110 GMT 17 Jan 82

[Excerpt] Mexico City, 16 Jan (NOTIMEX) -- Canadian Prime Minister Pierre-Elliott Trudeau left for home today at 1310 hours following an official 4-day visit to Mexico. Trudeau arrived at the presidential hangar in Mexico City's International Airport at 1245 hours in the company of Government Secretary Enrique Olivares Santana and Foreign Secretary Jorge Castaneda, as well as by the Canadian diplomats accredited to Mexico.

Envoy Appraises Visit

FL181340 Mexico City NOTMIEX in Spanish 0020 GMT 17 Jan 82

[Text] Mexico City, 18 Jan (NOTIMEX) -- Canadian Ambassador to Mexico Claude Charland said today that Canada will not formally recognize the Salvadoran left until elections are held in El Salvador. Interviewed at the Mexico City International Airport, where he saw off Canadian Prime Minister Pierre-Elliott Trudeau, the diplomat said that his country will support peaceful solutions in Central America without either indifference or military intervention from other countries, based on open, internal dialogue. The ambassador said that Canada at present recognizes the Salvadoran Government junta and that, although it does not formally accept the Salvadoran opposition force, Canada is aware of its importance and thereby feels that a peaceful solution should be sought through dialogue in keeping with the people's wishes.

On another subject, Charland said that the Canadian prime minister's visit to Mexico could be described as a success since agreements were formalized between the two countries that further strengthened their ties. He said that nuclear energy agreements were discussed and that representatives of the Petrocanada Oil Company will soon visit Mexico to meet with Pemex officials and sign a new agreement for this year.

Lastly, Charland said that the Trudeau-Lopez Portillo meeting will give increased impetus to the North-South dialogue with the decision to send joint letters to all the Cancun participants to seek the implementation, as soon as possible, of the objectives and agreements stemming from the October meeting in Cancun.

MARGAIN SAYS U.S. VIOLATES MEXICAN WORKER RIGHTS

FL140200 Mexico City NOTIMEX in Spanish 0050 GMT 14 Jan 82

[Text] Mexico City, 13 Jan (NOTIMEX) -- The alleged mass deportation, persecution of dragnets of undocumented Mexicans in the United States will not take place, Hugo B. Margain, Mexico's ambassador to the United States, has assured upon his arrival here. Interviewed at Mexico City's International Airport, the Mexican diplomat pointed out that undocumented Mexicans holding the "Silva" letter will continue to work in the United States and no mass deportations will be carried out because the letter has been settled within the framework of bilateral relations between the two countries.

He also affirmed that the United States continues to violate the rights of Mexican workers who are discriminated against, paid lower wages and forced to pay taxes while being refused the social services they should receive from the U.S. Government.

BCIE IMPROVES CAPACITY TO OBTAIN FOREIGN LOANS

PA161522 Panama City ACAN in Spanish 2211 GMT 14 Jan 82

[Excerpt] Tegucigalpa, 14 Jan [ACAN-EFE] -- Alberto Galeano Madrid, president of the Central American Bank of Economic Integration [BCIE], reported during a press conference here today that the bank's capacity to obtain resources from foreign sources has been tripled. According to Galeano Madrid, the increase of the bank's capital authorized by the bank governors' meeting in Tegucigalpa on Monday gives BCIE the capacity to approve loans of about $2 billion. The assembly of governors authorized a $400 million increase in capital, so the bank's resources have risen to $600 million.

MOVE FOR CENTRAL AMERICAN SUMMIT IN TEGUCIGALPA

PA142019 Panama City ACAN in Spanish 1831 GMT 14 Jan 82

[Text] San Jose, 14 Jan (ACAN-EFE) -- Since most chiefs of state of Central America will be in Honduras to attend the transfer of power to the new administration at the end of January, there is interest in holding a regional meeting at top political level.

Costa Rican Foreign Minister Bernd Niehaus announced that the heads of Central American and Caribbean diplomacy will meet to continue the talks begun at previous meetings. Niehaus noted that there are many problems in the region that call for urgent political decisions at the highest level, especially in the economic field.

For several months, the governments of Costa Rica and Panama have been unsuccessfully calling for a dialogue among Central American rulers, the minister recalled, adding that the fact that most heads of state will be in Tegucigalpa beginning on 26 January "is an opportunity which should be taken advantage of."

Ministers Preparatory Meeting

PA190439 San Jose Radio Reloj in Spanish 0100 GMT 19 Jan 82

[Text] Cesar Elivir Sierra and Fidel Chavez Mena, foreign ministers of Honduras and El Salvador, respectively, arrived in Costa Rica this afternoon to meet with President Carazo and Foreign Minister Bernd Niehaus. The foreign ministers came to discuss several political and economic plans for the Central American area that will be discussed at a minisummit to be held in Tegucigalpa beginning on 26 January. Salvadoran Foreign Minister Fidel Chavez Mena said that decisions of great importance for the Central American countries hinge on the negotiations that are underway today.

The decisions reached during the tripartite meetings among El Salvador, Honduras and Costa Rica could lead to decisive economic and political measures for the Central American nations, Foreign Minister Chaves Mena said. These actions will also be decisive for the isthmus as a whole and for each of the nations in particular, the Salvadoran minister added.

Regarding the positions that might result from this meeting, the Salvadoran foreign minister said: We are studying the economic actions that can be taken to confront the difficult regional problems of the moment. The establishment of a bloc to defend the interests of the Central American countries will undoubtedly strengthen the unity of the nations on the isthmus, Honduran Foreign Minister Cesar Elvir Sierra said. He hinted that an agreement of great importance will be reached at this meeting that is preliminary to the minisummit that is to take place in the capital of Honduras. As regards the participation of Honduras in these negotiations, the Honduran foreign minister said: We always participate in efforts directed toward positive achievements, although, he added, it is not possible to disclose anything as yet.

Although the proposals that Costa Rica, Honduras and El Salvador will present to the minisummit in Tegucigalpa have not yet been defined, when the foreign ministers were asked about renouncing aid from the United States, they said that any assistance without conditions will be well received. Similarly, he [as heard] said that for the time being, these three countries are participating in this round of talks, but as soon as a formula of consensus is obtained, it is hoped that the other nations of the isthmus will participate.

Regarding the position of Costa Rica, Chavez Mena said that it coincides with that of Honduras and El Salvador. The establishment of a common front to defend the economic and political interests of the Central American area to decide on short-term actions is what we seek in these meetings, President Carazo said. He explained that a joint economic proposal will be made in view of the situation that these countries are experiencing. However, the president did not disclose any feature of the proposal.

Conclusions reached here will probably be disclosed during the meeting of presidents and chiefs of state that will take place in Tegucigalpa late this month. The foreign ministers of Honduras and El Salvador will continue working with Foreign Minister Niehaus during a part of this evening. They are scheduled to return to their home countries early tomorrow morning, as soon as they have reached agreement on the points of the document that will be discussed in Tegucigalpa. President Rodrigo Carazo is scheduled to leave for Tegucigalpa on the morning of 26 January and will return on the evening of 28 January.

COSTA RICA

CARAZO TO TAKE PROPOSALS TO HONDURAS MINISUMMIT

PA171418 San Jose Radio Reloj in Spanish 1730 GMT 16 Jan 82

[Text] Costa Rican President Rodrigo Carazo will be taking to Honduras a proposal on the immediate actions that should be adopted at the regional level to confront the crisis affecting Central American countries. President Carazo will be making this proposal at the meeting of presidents that will be held in Tegucigalpa. President Carazo proposed that a minisummit to discuss regional topics be held in Tegucigalpa, taking advantage of the presential inauguration of Roberto Suazo Cordova. There is special interest in discussing the trade situation and the strengthening of the Central American Common Market [CACM] as an instrument of defense for the region.

President Carazo believes that Central American countries should adopt actions that strengthen intraregional trade. Although in recent times some difficulties have emerged, Carazo believes that with the governments' political resolve, the operations of the CACM can be renewed. For this reason, actions must be taken jointly in the region in order to face the impact of the international economic situation. A number of joint political actions at the international level will also be proposed in order to achieve common objectives as a bloc. A firm position should be maintained at international organizations in order to defend the region's interests, particularly in obtaining better prices for products, more economic aid and the elimination of tariff barriers. It will be stressed that if the Central American countries are able to form a bloc they will obtain greater international support.

EL SALVADOR

CHAVEZ MENA TO SIGN 'HISTORIC' DOCUMENT

PA181949 Panama City ACAN in Spanish 1925 GMT 18 Jan 82

[Text] San Salvador, 18 Jan (ACAN-EFE) -- The Salvadoran Foreign Ministry has reported that Foreign Minister Fidel Chavez Mena traveled to San Jose this morning to meet with his Honduran and Costa Rican counterparts, Cesar Elvir Sierra and Bernd Niehaus, respectively.

It added that "Chavez Mena's trip has been described as unexpected. During the meeting they will draft an official document which will be signed in San Jose tomorrow." According to the Foreign Ministry, the document that will be signed in San Jose is very important. However, the ministry did not disclose its contents.

It added that "the announcement by the three Central American Foreign Ministries has caused unusual enthusiasm, so much so that more than 100 news media of the world have sent correspondents. Moreover, U.S. television will be broadcasting live via satellite the ceremony in which Niehaus, Elvir Sierra and Chavez Mena will sign the document."

Before leaving from the Salvadoran airport, Chavez Mena said that "the project that will gather us in San Jose is of such a historic significance and economic and political importance that we can say that Central America began the takeoff to progress on 19 January 1982."

FMLN GENERAL STAFF VIEWS IMPROVING SITUATION

PA181305 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0144 GMT 17 Jan 82

[Manifesto issued by the FMLN General Staff in January 1982 -- read by announcer]

[Text] Manifesto from the FMLN to the Salvadoran people and to all the people of the world. Without the Salvadoran revolutionary and democratic movement, there cannot be a political solution to the armed conflict. The Salvadoran people are waging a heroic political and military struggle against the shameful dictatorship.

Step by step, the revolutionary and democratic forces have defeated, one by one, the tactics that the military-Christian Democratic dictatorship has employed. At this point in the war, it is evident that the people have defeated the first phase of the counterrevolutionary and interventionist strategy promoted by the U.S. Government. In view of this victory of the revolutionary forces, the fascist military men, the U.S. fascists and masters, have been applying a type of conduct that can only be considered criminal and genocidal.

The government daily kills between 30 and 40 persons. Most of them are kidnapped, tortured and dismembered. In 1981, the government had an average of three offensives per month against our guerrilla bases. All these offensives were defeated by the FMLN. During these counterrevolutionary military offensives aimed at breaking the support for the guerrilla forces, the dictatorship committed massacres against the humble and defenseless rural and urban populations. This type of fascist crime, instead of scaring the people, has made them realize that peace can be attained only by defeating interventionism, the fascists and all their lackeys.

At the world level there is a broad and decided movement of solidarity that calls for an end to U.S. intervention, and for respect of the right of self-determination of the Salvadoran people, who condemn the fascist genocide of the Duarte government and share the objective of winning democracy, social justice and peace. This movement of solidarity takes place in support of the political and military forces which favor the heroic struggle of the Salvadoran people.

This solidarity of the people of the world, expressed through political organizations such as the Socialist International and other social and religious organizations, is also being expressed by governments like those of France and Mexico which have acknowledged the representative character of the FMLN-FDR and share the position that there can be no political solution to the armed conflict without the forces that are at the vanguard of the popular struggle. This world solidarity was evident on 16 December, when the UN General Assembly, with a broad majority vote, stated its position in favor of finding a true political solution through negotiations between the belligerent forces and rejected the March masquerade election, characterizing them as a false solution.

This represents clear backing for the position that the FMLN-FDR presented at the assembly on 7 October. It also represented an unmasking of the political-electoral plan of the junta to cover up intervention and genocide. The UN resolution also places a OAS declaration in its place. The OAS declaration reveals that the puppet junta has only the support of the most shameful Latin American dictatorships and that the Reagan government, using pressure and international ambiguous plans, is again trying to turn the OAS into a tool for intervention and agression against the Latin American people. The OAS resolution does not mean a united position, it does not mean unanimous support for the interventionist aims of the U.S. Government and it does not mean effective support for the electoral farce organized by the Duarte government.

The March 1982 elections will be a farce that will fail. Their only objective is to prepare a coverup by giving alleged legitimacy to the Yankee interventionist escalation that has been going on since January 1981 against the Salvadoran people. The purpose is to maintain in power the minority that for years has exploited and oppressed the people. In El Salvador there can be no solution without the people and, much less, against the people. If there is an increase in U.S. military intervention, whether it is direct or indirect, whatever form it takes, then the Salvadoran armed conflict will certainly be regionalized.

The FMLN-FDR has stated on many occasions that it is not in favor of war, and much less in favor of a regionalization of the war. It is in favor of peace and of respect for the right of the Salvadoran people to decide their own future.

On this basis, the FMLN hereby states to the Salvadoran people and to all the people of the world:

1. We absolutely and decidedly reject the electoral farce that the military-Christian Democratic junta, (?together with) the U.S. Government, has organized for the purpose of imposing on the people a phoney constituent assembly that would be a symbol of a most shameful deceit.

2. As long as there is a fascist and traitorous dictatorship, as longas terror and genocide are imposed, we will firmly maintain our position to fight arms in hand before, during, and after the elections, until we win peace and establish democracy.

3. We reiterate our disposition in favor of looking for a political solution to the armed conflict through negotiations, to find a just peace.

The FMLN informs the Salvadoran people and all the people of the world, that it has prepared basic points of view for the purpose of initiating, at any moment, a dialogue with all the interested forces to move toward negotiations and a real and true solution. United to fight until final victory! Revolution or death, we will win! [Dated] January, 1982.

GUATEMALA

GENERAL BLAMES CASTRO, NICARAGUA FOR UNREST

PA171927 Paris AFP in Spanish 2257 GMT 14 Jan 82

[Text] Guatemala City, 15 Jan (AFP) -- Gen Benedicto Lucas Garcia, Guatemalan Army chief of staff, and brother of the president of the republic, has said that Cuban chief of state Fidel Castro and the Nicaraguan Sandinist Government are the "main causes of subversion in Guatemala and Central America." In an interview granted to AFP, the military officer reported on the guerrilla situation in Guatemala and the Central American situation in general. He stressed that the United States "must play an important role in preventing the free flow of arms coming especially from Cuba, through the area."

General Lucas Garcia said that "as long as Fidel Castro exists and as long as there are Sandinists in Nicaragua, there will be subversion in the area." He said that "subversion will increase later if we do not adopt necessary measures now." He was asked about the military offensive that the Guatemalan Army is carrying out against the guerrillas in the western part of the country. He said that the first operation, carried out in Chimaltenango, has yielded "highly positive" results. Another operation is being planned in the Departments of El Quiche, Huehuetenango, and San Marcos with the participation of 15,000 troops, 10,000 more than those already in the area.

He said, however, that these offensives, as well as measures being adopted by the armed forces throughout the country, "do not mean that Guatemala is going to be free of subversion." He stressed that "peace in Guatemala and Central America in general really depends on U.S. decisions." He said that if the United States "makes up its mind to stop the arms traffic and decides 'to get tough,' then everything will be over sooner." He stressed that most of the weapons the guerrillas receive come from Cuba by way of Mexico or Nicaragua.

Regarding the Nicaraguan Government's purchase of French arms and the possibility of an arms race in Central America, he said that "the arms race started when the Sandinists came into power in Nicaragua." He said, "We have to obtain certain types of weapons to exercise effective control within our territory, because if we do not, they will infiltrate better equipment."

Explaining his viewpoint on the guerrilla situation in Guatemala, he said that they have only 400 active combatants, although he admitted that at least 5,000 Indian peasants are committed to fighting with the revolutionary groups. He said that the Poor People's Guerrilla Army is the most active of the groups operating in Guatemala and the one with the most members, because "they started out with popular movements and then turned into an armed group." He said, however, that the Guatemalan Army "is fully able to fight the guerrillas."

SURVEILLANCE AT DIPLOMATIC OFFICES INCREASED

PA182016 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 18 Jan 82

[Text] Rolando Archila Marroquin, under secretary of the presidential public relations office, announced that the government has decided to redouble surveillance at all diplomatic offices in Guatemala City.

[Begin recording] This surveillance is a government initiative to maintain a security situation that will allow no further terrorist actions at the offices of diplomatic missions. We will honor any request that any country accredited in Guatemala makes through our foreign ministry in order to offer them the best security available. [end recording]

NICARAGUA

D'ESCOTO ABSOLVES VENEZUELA OF PLOT INVOLVEMENT

PA151540 Paris AFP in Spanish 0047 GMT 15 Jan 82

[Text] San Jose, 14 Jan (AFP) -- The intervention of the U.S. Central Intelligence Agency (CIA) in the recent plot discovered in Nicaragua was charged here by Nicaraguan Foreign Minister Miguel d'Escoto, who accused it of having enlisted foreign diplomats and military elements in the terrorist operations. D'Escoto absolved the Venezuelan Government of President Luis Herrera Campins of any responsibility in the activities of the military attache of the Venezuelan Embassy in Managua, Col Pedro Sanchez Rivero, and the agent of the Venezuelan Military Intelligence (DIM), Julio Gonzalez Ferron, both involved with terrorists arrested here by the Nicaraguan [words indistinct] with attacks and murders they were supposed to carry out.

In a major revision of various aspects of his country's foreign policy, D'Escoto briefly referred to a recent statement, attributed to the leader of the Palestine Liberation Organization (PLO), Yasir 'Arafat, in which he revealed the presence of members of that organization in Nicaragua and El Salvador. "We maintain relations with PLO and we have the right to ask its assistance, like any other nation," he said, without either confirming or denying the presence of Palestinian pilots in Nicaragua.

Referring to the administration of Ronald Reagan, the Nicaraguan foreign minister referred to "the verbal terrorism" he used against his country. "Not only that," he added, "but that administration tolerates and is even an accomplice of those terrorists receiving military training in Florida and California, in open violation of international law and U.S. legislation."

"Such a compromised tolerance encourages the fascist criminals of the area and the McCarthyists, who see communists everywhere and refuse to discuss structural changes," the foreign minister charged. D'Escoto arrived in Costa Rica from Venezuela, where he informed President Luis Herrera Campins of documentary evidence in his possession about the participation of Venezuelan diplomatic and military officials in counterrevolutionary activities in Nicaragua.

The Venezuelan chief of state said he was willing to conduct a "thorough investigation," he said. "Herrera Campins told me that at no time has the Venezuelan Government tried to attack the Sandinist revolution; that he considers himself a friend of the Nicaraguan revolutionary process," D'Escoto added. "It is, therefore, most difficult to believe that the conspiracy by some officials was the result of a political line set by that country, its government or the Foreign Ministry," he noted.

Passing through Costa Rica, the Nicaraguan minister met today with President Rodrigo Carazo, whom he also informed about the role some diplomats accredited here played in the plot, uncovered in his country last week, to dynamite the state refinery and cement factory and murder some revolutionary leaders. D'Escoto stressed that the main leaders of the Nicaraguan Democratic Union (UDN) and the Revolutionary Armed Forces of Nicaragua (FARN), the brothers Edmundo and Fernando Chamorro Rapaccíolli, live in Costa Rica, where they secretly organized the activities recently uncovered in his country.

The Nicaraguan foreign minister also reiterated the charges filed by the Nicaraguan interior minister, Commander Tomas Borge, against military and diplomatic personnel from El Salvador, Guatemala, Honduras and Argentina, whom he accused of having cooperated with members of UDN and the FARN, one of whom, William Baltodano, is under arrest. On the insistent rumors of collective action against his country, sponsored by the Organization of American States (OAS), the foreign minister admitted an "evident leaning toward the right on the continent" since the 17th consultation meeting in 1979, when the United States proposed the creation of an inter-American force to intervene in the struggle against Anastasio Somoza.

Although, he said, "there is no possibility of open collective action against Nicaragua -- several governments are afraid to vote a resolution of that type -- those same governments appear willing to aid those who want to overthrow the Sandinist government." On the improvement of relations between his country and the United States following the appointment of the new Nicaraguan ambassador and the naming of the White House representative in Managua, D'Escoto considered it possible and reiterated his country's willingness to maintain a dialogue.

The Nicaraguan minister said that the Central American nations do not have to fear Sandinism and denied rumors that his country intends to export revolution.

He branded as irresponsible the attitude of his Honduran counterpart, Cesar Elvir Sierra, who gave credence to rumors, which were proved to be false, that Sandinist troops had massacred Nicaraguan Indians who sought refuge in Honduran territory. D'Escoto said that his country continues to insist on the need to hold a meeting of the defense ministers of Nicaragua and Honduras to coordinate joint actions along common borders, as was agreed to by Honduran President Gen Policarpo Paz and Nicaraguan Government Junta Coordinator Daniel Ortega at a meeting they held last year. It took us a year to set up that meeting, D'Escoto said, and now we cannot get Honduras to comply with what was agreed to last year. He asked the Honduran Government to control its armed forces, which apparently are involved with Nicaraguan counterrevolutionary groups.

More Venezuelan Envoys Leave

PA171309 Buenos Aires LATIN in Spanish 1821 GMT 15 Jan 82

[Excerpt] Managua, 15 Jan (LATIN-REUTER) -- Three more Venezuelan diplomats yesterday left Nicaragua after the Nicaraguan Government said that several members of that embassy in Managua had participated in meetings in which acts of sabotage against Nicaraguan authorities and industrial installations were planned.

The departure of Air Attache Col Hugo Pernia Zambrano and Attaches Jose Luis Betancourt and Rafael Diaz Blanco brings to 5 the number of Venezuelan diplomats who have left the country in the past 24 hours. Anibal Palacios and Pedro Sanchez Rivera had previously left Nicaragua. They had been accused of participating in conspiratorial meetings.

NO GOVERNMENT REACTION ON VENEZUELAN PROTEST NOTE

PA160439 Managua Radio Sandino in Spanish 0300 GMT 16 Jan 82

[Text] The Nicaraguan Foreign Ministry has not received an official note this evening, but at approximately 1900 hours, Radio Corporacion and Radio Mundial transmitted a communique issued by the Venezuelan Foreign Ministry from the Venezuelan Embassy in Managua. The Venezuelan Embassy had called a news conference at that time inviting several reporters, including those of Radio Sandino. The charge d'affaires of the embassy, (Alexis Curiel), read the communique released by the Venezuelan Foreign Ministry, although Nicaraguan Foreign Minister Miguel d'Escoto had not received information on it. Also invited to the conference were Pedro Joaquin Chamorro Barrios, (Manuel Jiron), and some reporters of Radio Mundial and Radio Corporacion.

After (Alexis Curiel) read the communique, no questions were permitted by the reporters, while Pedro Joaquin Chamorro and (Manuel Jiron) locked themselves in one of the embassy rooms with the embassy officials. There has been no reaction from national government circles as the communique from the Venezuelan Government has not been received by Foreign Minister Miguel d'Escoto, according to Foreign Ministry spokesmen approached on the matter.

Radio Sandino Comments

PA161720 Managua Radio Sandino Network in Spanish 1200 GMT 16 Jan 82

[Excerpts] (Alexis Curiel), Venezuelan charge d'affaires in Nicaragua, yesterday at 1900 read a 3-page communique issued in Caracas by the Venezuelan Government in reply to statements from the Nicaraguan Interior Ministry based on the confessions of William Baltodano and Julio Gonzalez Ferron. Radio Sandino reporters were present when (Alexis Curiel) read the communique, transmitted live by Radio Corporacion and Radio Mundial in network. Also present were Pedro Joaquin Chamorro Barrios and (Manuel Giron), who recorded the transmission.

The Venezuelan communique was a big surprise here. According to the communique, Interior Minister Commander Tomas Borge had accused the Venezuelan Government, the diplomatic mission and the armed forces of being involved in counterrevolutionary activities. The Venezuelan reaction does not conform to reality. The Nicaraguan people are aware that it was Baltodano, the counterrevolutionary, who revealed the plans to blow up the oil refinery and the cement plant and who talked about his contacts with members of the Venezuelan diplomatic mission in Managua.

The Venezuelan communique, which was generally considered strong, does not coincide with the facts according to which Venezuelan diplomats appear to be involved in counterrevolutionary activities. The Venezuelan Government rejects in its communique the accusations attributed to Commander Borge. But what Commander Borge said the day that Baltodano was presented to the press was that the men involved in the conspiracy do not represent the Venezuelan Government and the people, because they are Nicaragua's firm friends. At no time did Commander Cerna or Borge link all of the Venezuelan diplomatic mission's personnel with those that Baltodano mentioned.

We are not accusing the Venezuelan Armed Forces of anything. We are charging that the activities of individuals of Venezuelan nationality are involved in a conspiracy against Nicaragua. One of these individuals is Julio Gonzalez Ferron, a Spaniard nationalized in Venezuela and established many years ago in Nicaragua as a businessman, who accused Pedro Sanchez (Rivero), Venezuelan Embassy military aide and Anibal Jose Palacios, also an embassy official, of being the persons who ordered him to contact the counterevolutionaries in Nicaragua.

We regret the Venezuelan Government's outrageous outburst. The communique says among other things that the Junta of the Government of National Reconstruction should clarify its position as to the future relationship of Nicaragua and Venezuela. At the same time, it says that it hopes that the Nicaraguan Government can control what seems to be a campaign to damage the cooperation programs that exist between the two countries.

The Nicaraguan Government will answer the Venezuelan communique soon. But still, we do not know the reason for such a reaction on the part of the Venezuelan Government. The communique mentions the word hope near the end and this is a good sign. However, we insist that there is a definite campaign behind all this aimed at damaging the relations between two sister countries. We are certain, as we were able to confirm yesterday among those we saw at the embassy during the reading of the communique, that there are people who are smiling and full of satisfaction as a result of what has certainly been a misinterpretation of facts.

ENVOY TO VENEZUELA SAYS NO RIFT SO FAR

PA161634 Managua Radio Sandino in Spanish 1444 GMT 16 Jan 82

[Excerpt] Attention, listeners: Radio Sandino, the radio station of the vanguard and the vanguard of stations, has established contact with Caracas, Venezuela. We have established contact with Radio Caracas, one of the most important stations of Bolivar's fatherland. We have gotten in touch with Companero (Luis Alberto Alarcon), who works for that station. He will give us last-minute information on the reports dealing with Nicaraguan-Venezuelan relations. Here is (Alarcon):

[Begin recording] Hello Nicaragua, this is (Luis Alberto Alarcon), from Radio Caracas for Radio Sandino. The Nicaraguan Embassy in Prados del Este, a neighborhood of Caracas, has been surrounded by officials of the Directorate of Intelligence and prevention services since 1100 yesterday. The Venezuelan Foreign Ministry has notified Nicaraguan Ambassador Alejandro Castillo Masis of this measure, which has taken place amid the tension caused by Nicaraguan Interior Minister Tomas Borge's charges of alleged participation by Venezuelan diplomats in antigovernment actions.

Last night, shortly after receiving expressions of solidarity with Nicaragua from six Venezuelan personalities, Ambassador Castillo spoke to Radio Caracas and Radio Sandino, giving details of his talk yesterday with officials at the Yellow House, the Venezuelan Foreign Ministry. The Nicaraguan ambassador said: We were told that the measure of placing guards around the embassy was taken because similar measures were adopted at the Venezuelan Embassy in Nicaragua. I want to clarify, the ambassador said, that in my country a measure was taken to give protective vigilance to the Venezuelan Embassy, as well as to other embassies. The people going to the Venezuelan Embassy were asked to show their identification. However, they are not doing the same here. Even embassy officials are asked to show identification and anyone who wants to enter has to fill out a special questionnaire.

Despite the situation, the Nicaraguan diplomat said that there is no rift between the two countries so far. In Caracas, Foreign Minister d'Escoto recently reiterated the friendship between the two governments, countries and peoples.

From another quarter, Jose Vicente Rangel, a deputy and member of the foreign policy committee; (Lino Perez Royo); Rafael Iribarren; and writers (Anibal Nasao), Jesus Sanoja Hernandez and Hector Mujica have signed a statement saying: We categorically condemn this police action of provocation against the fraternal people of Nicaragua and we reiterate our solidarity with the Nicaraguan Government. [end recording]

Further D'Escoto Comments

PA152101 Managua Radio Sandino in Spanish 0300 GMT 15 Jan 82

[Text] Upon his return to Nicaragua after a 4-day tour of three countries, Nicaraguan Foreign Minister Miguel d'Escoto stressed that Venezuelan President Luis Herrera Campins had assured him that the activities of the Venezuelan diplomats in the plot against Nicaragua do not reflect the political will of his government. D'Escoto went to Caracas on Monday to personally tell that government about the participation of officials of the Venezuelan Embassies in Managua and San Jose in terrorist plans against our country.

In his tour, the Nicaraguan foreign minister also visited Panama where he met privately with President Aristides Royo to whom D'Escoto explained the international magnitude of the plot against the Sandinist people's revolution in which several countries of the continent are involved. Upon returning to Nicaraugua, and more precisely, this afternoon, D'Escoto met with Costa Rican President Rodrigo Carazo Odio and also told him about the seriousness of the conspiracy. D'Escoto said that the form of protest that Nicaragua will send to the Governments of El Salvador, Honduras and Argentina has not been established yet. These countries were reported as involved in the incidents by those involved in the plot.

Here we have D'Escoto's statements upon his return to the country this afternoon when he discussed the incidents that were disclosed on 12 January:

[Begin recording] It was a trip to directly inform our friend Venezuelan President Luis Herrera Campins about this international conspiracy that is being framed against Nicaragua. We now have irrefutable proof of the involvement of foreign, Latin American, governments in this conspiracy. As it was disclosed here, the direct participation of certain members of the Venezuelan diplomatic mission here and in Costa Rica in this plot was discovered. For this reason, we felt it was important that the Venezuelan president be told about this directly and thus we went there to tell him. We are convinced and he assured us -- although it wasn't necessary because we never had doubts about it -- that these individuals always acted independently. In no way does their complicity with Somozist criminals reflect the political will of the Venezuelan Government and much less that of the president. [end recording]

Foreign Ministry Communique

PA190249 Managua Radio Corporacion in Spanish 2300 GMT 18 Jan 82

[Foreign Ministry Communique No 2-82, released in Managua on 18 January; read by unidentified official in charge of the ministry's information and press office -- live or recorded]

[Text] After very calmly and thoroughly analyzing the Venezuelan Foreign Ministry communique of 15 January 1982, the Nicaraguan Foreign Ministry feels obliged to give the following explanations:

1. Statements made by Mr Julio Gonzalez Ferron, special agent of the Venezuelan Defense Ministry's general sectoral military intelligence directorate; and by Mr Baltodano Herrera have clearly established the participation by Jose Anibal Palacios, second secretary at the Venezuelan Embassy in Nicaragua; Army Military Attache Col Pedro Antonio Sanchez Rivero and Air Force Military Attache Col Hugo Pernia Zambrano, both members of the same Venezuelan diplomatic mission; Edgard Escobar, commercial attache of the Venezuelan Embassy in Costa Rica; and Gonzalez Ferron himself in the conspiracy, recently (?revealed) by the Interior Ministry, to sabotage the national cement factory.

2. In the face of the serious and delicate situation created by the participation of the above-mentioned Venezuelan citizens in the criminal conspiracy, the Nicaraguan junta of the Government of National Reconstruction commissioned Foreign Minister Miguel d'Escoto Brockman to go to Caracas to explain this situation directly to Venezuelan President Luis Herrera Campins, and to reiterate the Nicaraguan Government's steadfast belief that the Venezuelan Government was not involved in these activities.

Nicaragua once again reiterates its willingness to maintain and strengthen its relations with the people and government of the fraternal Republic of Venezuela.

APPOINTMENT OF U.S. AMBASSADOR SEEN AS POSITIVE

PA160250 Managua International Service in Spanish 0030 GMT 16 Jan 82

[Text] Nicaraguan Foreign Minister Miguel d'Escoto believes the decision of the Reagan administration to appoint a new ambassador in Nicaragua is a most positive step. The minister made his statement on his return to Managua from a tour of Venezuela, Panama and Costa Rica. D'Escoto said the presence of a U.S. ambassador in Nicaragua will help to ease the situation worsened by the rhetoric and threats of some members of the Reagan administration.

NICARAGUA TO JOIN INTERSPUTNIK TELEPHONE SYSTEM

PA150431 Managua International Service in Spanish 0030 GM 15 Jan 82

[Text] Nicaragua will soon be directly linked by telephone with the socialist countries through the Intersputnik system, Tomas Borge, commander of the revolution and interior minister, has reported.

BRIEFS

FOREIGN TRADE DATA -- The Foreign Trade Ministry has reported that its enterprises exported $320 million worth of products during 1981. The ministry also reported on the expansion of the markets for Nicaraguan products. It reported on the opening of new markets for cotton, meat and coffee. Cotton was sold to Taiwan, the PRC, South Korea and some socialist and European countries. Coffee was sold to Arab countries, Cuba, Hong Kong, Spain, and the socialist European countries. Sugar was sold to Mexico and meat to Canada. [Managua Radio Sandino Network in Spanish 1200 GMT 16 Jan 82 PA]

BERMUDA

NEW PRIME MINISTER ANNOUNCED BY PARTY LEADER

FL151823 Nassau Domestic Service in English 1800 GMT 15 Jan 82

[Text] A special ceremony will be held this afternoon at Government House in Hamilton, Bermuda. Bermuda businessman John Swan, 46 years old, today became Bermuda's new premier by emerging victorious in a parliamentary vote by 12 to 9. The result of the vote was announced by the ruling United Bermuda Party Chairman Sir John Plowman shortly after 10 this morning.

Mr Swan, who had held down the home affairs portfolio, had been billed as the likely winner over his only rival in the contest, Health Minister Dr Clarence James. The vote, however, indicated that Dr James had in fact made some gains in support.

GRENADA

CITIZENS CALLED TO JOIN PEOPLE'S MILITIA

FL132352 Bridgetown CANA in English 2132 GMT 13 Jan 82

[Text] St Georges, Grenada, 13 Jan (CANA) -- Commander of Grenada's Armed Forces, General Hudson Austin, has called for more Grenadians to join the people's militia, a volunteer unit. General Austin said that as the country prepared itself for the upcoming national manoeuvre next month, there was a need for more Grenadians to master the theory and practices of military science.

He also appealed to those involved in military training to be careful and alert during military operations to avoid serious accidents. This was an apparent reference to the death of a member of the militia and injuries to another sustained during recent military operations.

Austin repeated the popular slogan used by the armed forces that the manoeuvre is never over as long as imperialism poses a threat to Grenada.

The armed forces commander, warning that "imperialism" will not cease its aggression against Grenada this year, urged: "We must be prepared to counter their every move."
He added: "For every ugly lie they spit out, we must answer with the clean beauty of truth. For every hateful operation they mount, we must respond with determined force, and if they dare to invade our beaches, our barking rifles will bury them in the sea."

Armed Forces Economic Activity

FL181550 Bridgetown CANA in English 1526 GMT 18 Jan 82

[Text] St Georges, Grenada, 18 Jan (CANA) -- Grenada's Prime Minister and commander-in-chief of the armed forces, Maurice Bishop, has called on each unit and section of the integrated military body to participate in at least one economic activity every month of the year. Addressing a ceremony over the weekend marking the end of armed forces week, Mr Bishop said that more structures would be implemented to ensure that waste is eradicated from within the Armed Forces of Grenada, an area he noted was of grave concern to the government.

He said that during 1982, designated as the year of economic construction by the People's Revolutionary Government (PRG), the armed forces would have to make a "serious" contribution to the building of the Grenadian economy. "There are going to have to be 12 economic activities to be carried out by each unit this year and this is not being left to chance", he said.

Mr Bishop explained that the unit and section leaders were expected to set targets within the next two days and said that a schedule was being prepared which would outline plans for those economic activities for all 12 months of 1982. "This schedule would have to say which day of the month they propose to use as a work day. This schedule would have to say where they expect to do this work."

"It would have to say what type of work they propose to do. It would have to say how they intend to carry it out. It would have to set the targets they intend to achieve for each month," said Mr Bishop. The armed forces which were integrated a year ago are made up of members of the People's Revolutionary Army [PRA], people's militia, police, coast guard, immigration, and fire service.

Prime Minister Bishop announced that measures would be taken to cut back on spending for vehicles damaged as a result of carelessness, and that inspectors from within the ranks and civilians would be appointed to monitor the handling of vehicles operated by the armed forces. The prime minister also spoke of the need for members to be prepared to meet what he referred to as "the threat of United States imperialism", which was still bent on overthrowing his pro-Cuba New Jewel Movement (NJM). "I want to emphasize imperialism is still out there, that our army needs to continue to be united and vigilant", he declared. The prime minister added that members of the armed forces needed to continue to raise their consciousness, deepen their unity, raise the level of organisational skills and prepare themselves technically and militarily, so that if and when enemies of the Grenada revolution "choose to invade the country, we as people will be there ready, willing and able to give our last drop of blood to defend our last grain of sand and to repel any invaders."

GUYANA

GOVERNMENT DENIES MILITARY AID GIVEN ST LUCIA

FL161730 Bridgetown CANA in English 1510 GMT 16 Jan 82

[By Mike James]

[Excerpt] Georgetown, Guyana, 16 Jan (CANA) -- Guyana has denied reports that the Winston Cenac administration had sought military assistance or Guyanese soldiers had been sent to Castries following nationwide protests against a controversial bill. "Guyana has never received any request for military assistance," Rovin Deodat, President Forbes Burnham's press spokesman, said. The Cenac cabinet has resigned amid a political crisis and an interim government is being set up to run St Lucia's affairs prior to elections due to be held not later than July 31 this year. Yesterday the Guyana Trades Union Congress (TUC) General Secretary Joseph Pollydore said he had received a telegram from the Caribbean Congress of Labour (CC) which was seeking clarification on information from its St Lucia affiliate that the St Lucia Government was requesting military assistance from Guyana following strike action there by unions.

Guyana's state-owned CHRONICLE newspaper also quoted media reports that the St Lucia opposition leader, John Compton, had criticised the Guyana Government for an alleged dispatch of troops to Castries. The CHRONICLE newspaper rejected the reports of Guyanese troops being in St Lucia as "only rumour" and quoted a government spokesman who denied the allegation.

HAITI

THREE ARRESTED 'TERRORISTS' REPORTED KILLED

PA131650 Paris AFP in Spanish 1614 GMT 13 Jan 82

[Text] Caracas, 13 Jan (AFP) -- According to several Haitian exile sources in Caracas, three of the four Haitian "terrorists" who were arrested on Monday on Ile de la Tortue, north of Haiti, have been killed.

They had landed on the island Saturday. The three men, Richard Brisson, former newsman for Radio Haiti-Inter who was deported from his country on 28 November 1980, Luis Emile Celestin and Robert Mathurin, were executed in Port-au-Prince. According to the sources, the three men had been taken to Port-au-Prince after they were arrested. In a special bulletin read over Haitian television on Tuesday, it was announced that the three individuals had "died from wounds received during the fight" at the Dessalines jail in Port-au-Prince.

JAMAICA

MANLEY CLAIMS THREATS, PNP SECURITY INCREASED

FL132335 Bridgetown CANA in English 2241 GMT 13 Jan 82

[Text] Kingston, Jamaica, 13 Jan (CANA) -- Jamaica police today said that they seized a revolver and 20 rounds of ammunition of the kind used in M-16 rifles during a search of the headquarters of the opposition People's National Party (PNP) in Kingston. Four men were also detained for questioning. The police said that the search, which started at 2 am, was in response to a report that there had been a threat to burn down the party's headquarters. The PNP has denied any knowledge of the gun or the ammunition.

A PNP statement on the incident said that opposition leader Michael Manley told Police Commissioner Bill Bowes that threats against leading personalities in the party's secretariat had forced the closure of the headquarters yesterday. Security was also requested for the headquarters and some party officials, the PNP said. The PNP said Mr Manley also told Commissioner Bowes the PNP had received information that attempts were to be made to implicate the party by planting illegal equipment, including guns and ammunition, on the premises. Its fears were heightened by the fact that unknown persons were recently seen in the compound.

According to the party statement, Commissioner Bowes said he had received information that there were plans to burn the PNP headquarters and promised to make periodic checks on the office. It was based on this information that the five-hour search was made, and the police informed that the revolver and ammunition were found. "The PNP would like to place on record that in the main the search was carried out satisfactorily, and with the dignity and thoroughness the party expects from officers of the law," the party statement said. The PNP has now re-opened its office, with increased security, aided by the police.

ST LUCIA

PILGRIM SWORN IN AS NEW PRIME MINISTER

FL181356 Bridgetown CANA in English 1407 GMT 18 Jan 82

[Text] Castries, St Lucia, 18 Jan (CANA) -- St Lucia was returning to normal today, following the swearing in last night of opposition parliamentarian Michael Pilgrim, 34, as prime minister of an interim government formed to defuse a political crisis which has wracked this country for the past week. Business places and government offices were open again after being shut for most of last week as the business community and trade unions supported opposition calls for the resignation of the government, over its alleged mishandling of the country -- particularly the economy.

Winston Cenac last night resigned as prime minister of the two and a half year old St Lucia Labour Party (SLP) Government -- the culmination of an all party conference called yesterday to find a peaceful solution to the impasse. Pilgrim, of the small minority opposition Progressive Labour Party (PLP), will head a national unity government to precede general elections, which he said in a radio broadcast last night, would come "as soon as possible" following the dissolution of parliament. Pilgrim has not yet announced a date for the dissolution of the 17 member parliament. He is yet to name a new Cabinet.